

CHINA WEEKLY

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Henry Wallace answers

WHAT NEXT IN ASIA?

"SANITATION COMMISSIONER"

a story by KE LO

PHILIPPINES, DEPENDENT REPUBLIC

ROBERT P. MARTIN

EDITORIALS:

CHANGING A GOVERNMENT

SHANGHAI'S INDUSTRIAL REVIVAL

DECEMBER 24, 1949

JMP 2,500

LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

US RECOGNITION

To The Editor:

A certain section of the American press has played up the issue of the detention of Consul General Angus Ward for all it was worth. In fact the San Francisco News, one of the Scripps-Howard papers (who have rooted for the Chiang Kai-shek regime all along), claimed that the Scripps-Howard chain secured his release by its newspaper crusade.

Demands were voiced by the American Legion and a number of senators and representatives for firm retaliatory measures, such as blockade of the China coast, until Consul Ward and his colleagues were released. The State Department was accused of indifference toward the fate of its employees.

One very interesting development was with regard to a series of articles on recognition running in the San Francisco Chronicle. Practically all the businessmen and bankers interviewed, while requesting anonymity, favored recognition of the government and normal trade between China and the U.S. Shortly after the arrest of Ward, the series was abruptly discontinued.

Only last week, General Albert C. Wedemeyer, who is now stationed in San Francisco, spoke against recognition at a convention of the National Grange and claimed it was wanted only by "commercial interests so they can continue to make profit."

However, Brayton Wilbur, chairman of the Board of the Federal Reserve Bank of San Francisco, urging recognition at a meeting of bank officials in Salt Lake City, Utah, declared: "The Nationalist Government was corrupt while it was alive. Now it is dead." And the San Francisco Chamber of Commerce, in an October resolution, declared that the United States might soon have to recognize the People's Government as a "government in fact, in areas under its control."

Neither the American Federation of Labor nor the Congress of Industrial Organizations has come out in favor of recognition. The AFL in the same breath passed a resolution to "discourage" trade with "dictatorships in Argentina, Peru and Venezuela" and at the same time advocated all-out aid to the government of Chiang Kai-shek. The CIO, at its convention in Cleveland, defeated a resolution introduced by Harry Bridges calling for recognition of the new Chinese Government.

S. E. S.

San Francisco
November 24, 1949

IT TAKES PATIENCE

To The Editor:

Since the Fourth Field Army entered Hunan and thence advanced toward the southwest, a huge supply for the army had to be collected in this province. A front supply headquarters was established in Changsha two months ago. As a result of the enthusiastic support of the people of Hunan and the hard work of the Communist workers, 155,000,000 catties of rice was borrowed from the peasants in the past two months. The liberation of Canton, Kweiyang, Kweilin and Chungking is partly due to the aid rendered by the people of Hunan.

Most of the supply workers are northerners. They are poorly paid but they work very hard and often way into the night. It is very difficult for them to work in this province because of different customs, habits and dialects. But due to their good manners and discipline, they have overcome these problems.

After the liberation of this city, the Communists, Liu Chi-mi and Hwang Si-kiu were ordered to take over the general postoffice of Changsha. They lived in one room and slept in one bed. Every morning as soon as it was dawn they would ask each other: "How is the weather today?" If it were fine, Hwang would be happy because he had only one pair of shoes with the soles broken, which quickly got his feet wet in the rain. But if it were rainy, Liu would be delighted for he only had one pair of rubbers.

How poor they are! But they are high ranking Communist officers. Since the liberation many government workers thought they were too poorly paid, and often murmured against the new authorities. I, too, felt dissatisfied because of the half pay I received in the Postal Training Group. But seeing what meager pay these Communist officers get, I no longer have any grudges. My conclusion is that before the liberation of the whole country we should be patient and willing to suffer.

CHANG SHU-CHI

Changsha
December 3, 1949

POST-SCRIPT

To The Editor:

I wish to call your attention to one or two errors which appeared in my article "China's Postal Service" (Review, Dec. 17).

First, the sentence "Postal employees in Nanking and Shanghai took voluntary pay cuts" does not apply to the post office in Shanghai, where postal employees have not had any salary decrease.

Second, the article says that "parcel post insurance and COD service already are in effect in Shanghai and elsewhere." This should have read "outward bill purchase" instead of "COD." Outward bill purchase is the sale of goods to the postoffice by the manufacturer or merchant. The postoffice then transports the goods to their destination and sells them to the customer, adding a small percentage for transportation and other handling charges. This method is used when a large quantity of goods involving a substantial sum of money is involved. Such a service helps the producer in that it enables him to get his money quickly, without waiting for the delivery to the customer and the remittance of payment. Also, since the postoffice has an efficient delivery system, rapid and safe delivery are assured.

Readers may be interested to know that the parcel post is only one part of the parcel business of the post office. Parcel post, as we use the term, refers only to relatively small packages, whereas the post office's parcel business also includes the shipment of large consignments which, in a country like the United States, would go by Railway Express or other freight means.

DUNCAN C. LEE

Shanghai
December 19, 1949
(Regrets to Mr. Lee for errors made in our editorial office—Editor).

OLD FRIEND

To The Editor:

It is a long time since I have been able to see my old friend, the Review. When I was a student in Shanghai and Nanchang several months ago I used to write many letters to your magazine which were published.

The past half year has flown by. I am now a civilized soldier of the Chinese People's Liberation Army. During this time I marched on the battlefields of Kiangsi, Hunan and into Canton. Now I live in Kwangchow, the capital of Kwangtung. Perhaps one of these days I shall go forward with my comrades to liberate those cities which have been longing for us to come.

Since Shanghai was liberated, I have been anxiously hoping to see a copy of your magazine. I hope you will send me one.

Y. Y. WONG

Kwangchow, Kwangtung
November 9, 1949

THE CHINA WEEKLY REVIEW

J. B. Powell

(Editor & Publisher, 1918-1947)

John W. Powell, Editor & Publisher

Editors

Mary Barrett
Rose Yardumian
Alun Falconer

Contributing Editors

William Berges	Lin Wo-chiang
Tong Chun-cho	Ngiam Tong Fatt
Chen Fu-sheng	Hugh Deane
Mark M. Lu	Duncan C. Lee
Galahad Wood	T. P. King
Julian Schuman	Shen Chien-tu
C. Y. W. Meng	Betty C. Chang
Chiang Pi-hou	

Fang Fu-an, Financial Editor
F. K. Chao, Business Manager
Chen Pang-cheng, Circulation Mgr.

Index December 24, 1949

Editorials

Changing A Government 52
Shanghai's Industrial Revival . 53

Special Articles

Philippines, Dependent Republic 55
What Next In Asia? 57
"Sanitation Commissioner" 58

Economic Section

Week's Business 63

Departments

Letters From The People 51
25 Years Ago 54
News Of The Week 61
Chinese Papers Say 62
Chinese Magazines Say 64
English Lesson Back Cover

Subscription

Shanghai and China Outports

3 months

JMP33,000, including postage

6 months

JMP66,000, including postage

Hongkong

3 months

JMP85,000

6 months

JMP150,000

U.S.A., other Foreign Countries

6 months

1 year

US \$5.00

US\$9.00

Price per copy: JMP 2,500

STUDENT RATES

Shanghai and China Outports

3 months

JMP27,000, including postage

All mail rates are subject to change in accordance with postal changes.

Telephone: 14772

Cable Address: "Reviewing" Shanghai

Published at 160 Chung Cheng Road (Eastern), Shanghai(0), China, by Millard Publishing Company, Incorporated under the Laws of the State of Delaware, U.S.A. Printed by Millington Limited, 117 Hongkong Road, Shanghai, China.

THE CHINA WEEKLY REVIEW

報論評氏勒密

A Weekly Newspaper Established in 1917

The editorial pages present each week the opinions of the editor. The other pages of *The China Weekly Review* are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 116 Shanghai, Saturday, December 24, 1949 No. 4

CHANGING A GOVERNMENT

THIS century we have been faced repeatedly with the issue of the violent change and overthrow of government.

The parliamentary conception of change through "legal" constitutional machinery has been upheld neither in the West nor in the East. The recent war especially saw past systems of government cut away and radically revised in a manner which suggests that a new age may have demanded new methods. The Allied occupation forces in Japan imposed a new form of government on the Japanese people; in Czechoslovakia workers' militia and councils of action created a new authority; and now in China autocracy is being swept away by a people's army.

Constitutional democracy, by which we mean generally the system of universal suffrage and representative governments as practised in the United States, has not been the lever of change. Uprisings, war, the "law" of popular force, have replaced the "legality" of ballots and precedence.

We do not think that the mass of the people are fond of civil violence. An appeal for "legal," constitutional, peaceful methods will always find a ready response when a change of government is the order of the day.

But, we have begun to wonder whether in this century the oppressed peoples in many countries could have found and will in the future be able to find a solution for their grievances without forcibly overthrowing their oppressors.

In China we have seen at first hand how a fundamental change in government takes place. When it was firmly in power, the Kuomintang frequently issued statements to the effect that it was not opposed to a change in the structure of the government. However, the KMT maintained, such a change must be in accordance with the law and therefore, it argued, the Chinese Communists must first lay down their arms before they could expect to participate in the national government. The nonsense of such KMT utterances was obvious to all, since it was an open secret that the only law existing in China was based entirely upon the ruling clique's desires.

It is interesting to note, however, that Chiang and his fellow refugees, now holed up on an island off the coast of China, are still talking about

what they consider to be the legalities of the situation. They still refer to their almost lost civil war as the "bandit suppression campaign" and still claim to be distressed by what they view as the Communists' failure to observe constitutional and other legal procedures.

Even for the politically naive, though, the curtain has been pulled away. In Chungking alone these very men who talk about legal procedures tortured and killed more than 500 political prisoners before evacuating the city. Incredible as it may seem, the KMT descended to the slaying of blood relatives and even employees and friends of particularly hated political enemies. General Yang Hu-cheng, who had been a personal political prisoner of Chiang Kai-shek for the past 12 years, was murdered, along with his son, his secretary and his secretary's entire family.

This should give the world a somewhat clearer picture of the old governing clique which is still calling loudly for the Communists to forego violence and present their grievances in the "proper" way, through petition, and other "legal" methods.

* * *

IN the Philippines, the recently re-elected president, Elpidio Quirino, has called upon all "dissident" elements to lay down their arms and to present their grievances against the government in a peaceful way, through the regular machinery established for this purpose. Quirino has advised them to seek redress through the country's courts.

An article in this issue of the *Review* tells how and why Quirino was re-elected. His political machine stuffed the ballot boxes, dispensed monetary grants just before the election and, in cases where the people were not sufficiently convinced by such measures, called out the state police and troops to "persuade" them as to the proper way to vote.

In Pondicherry, French India, three communist members of the French India Representative Assembly have been declared by the government to have lost their seats because of "absence from the house for two consecutive sessions." This, it seems, is a perfectly "legal" action. Members who do not attend the assembly's meetings for two straight sessions may be presumed to have forfeited their right to serve as an elected representative.

However, one may wonder just why these three communist leaders were so derelict in their public duties. One, the leader of the Pondicherry Communist Party, had been forced to go underground, presumably to avoid arrest, while the other two had been in jail and therefore were unable to attend the meetings of the assembly. The case of the latter two becomes even more significant when it is noted that when eventually tried, they were acquitted of the charge—instigating a riot. Nevertheless they were held in jail on a charge, later proved false by the government's own courts, for a period which ensured the loss of their seats in the assembly.

This is a first class example of how a government can make a show of abiding by legal and constitutional forms while actually securing an

anti-democratic end by basically illegal methods. If one firmly controls the machinery of government, it frequently is not too difficult to secure one's own personal ends, even in violation of the law, by methods which have a veneer of legality.

It thus seems that all too often this talk about "legality" and "constitutional procedure" is merely a device by which the ruling clique or class attempts to cripple any opposition and thus perpetuate itself in power. In America the clash in interests between the classes is not sharp enough to provoke a real conflict. In the countries of Western Europe and in Britain, the clash is becoming more pronounced. How this conflict will shape up and be resolved in these highly developed nations, is difficult to see. However, there are indications in both Britain and America that the ruling cliques are devoting more efforts toward finding ways of maintaining their power than toward finding ways of resolving or lessening the conflict.

While all such talk about future events in America is largely speculative and hypothetical, there are certain developments which, in view of what we have seen in other countries of the world, merit attention. First, it should be noted that there is virtually no difference between the two leading political parties in America. If Dewey had defeated Truman, there would have been no earth-shaking changes in American political, economic or social life. The fact that the two parties cooperate in what they call a "bi-partisan" foreign policy, indicates the degree of similarity in their outlook.

Suppose, however, that Henry Wallace's Progressive Party began to gain real strength and threatened to capture power through the polls. Or suppose that the American Communist Party should show signs of gaining control of the government through elections. What would happen? Would the Republicans and the Democrats simply stand aside? Or would these parties and their supporters attempt to make use of their control of government machinery to prevent the Progressive Party or the Communist Party from securing control of the government by peaceful, constitutional methods?

While there is no answer to such a question at this time, there are a few indications of which way the wind may be blowing. The possibility of the major parties making plans to forestall—by "legal" means—any such eventuality as posed above cannot be overlooked. The trial of the leaders of the Communist Party, the talk of "outlawing" the Communist Party, the penalties imposed upon government employees who read progressive or leftist literature or who voted for Wallace, the "investigations" by the Un-American Activities Committee, all point to a campaign against the left. If such a campaign is maintained and continues to grow at the same rate as in the past few years, it may well be possible that all political, economic, and social views except those of the extreme right will be outlawed by "legal" methods. Then, of course, anyone holding and/or expounding views considered to be out of line will automatically be guilty of a breach of the law and subject to punishment.

Thus, it seems to us, there arises the question of whether or not it is always possible for an opposition party dedicated to major changes in the system to come to power through constitutional means. In China, for example, the KMT claimed that the Communists instigated an armed rebellion. However, those of us who have been observing developments here in recent years know full well that it was not the Communists but the Kuomintang which began the civil war because it feared the popular appeal of the Communists.

At no time have the Communists been unwilling to stop fighting providing that the KMT would reform and really practice what it preached by establishing a genuinely democratic framework through which the actual will of the people could be enforced. Before the civil war began the Communists amply demonstrated their desire to avoid conflict. Even so late as this year, when the KMT was on the point of abandoning Nanking, the victorious Communists agreed to a truce and peace talks. The talks failed, as we all know, because Chiang and his supporters refused to entertain any suggestions of reform which would lessen their dictatorial powers and insisted upon continuing the war.

While it is comparatively easy, with the benefit of hindsight, to see just how things have worked in China and to view with fair perspective events in places with similar problems, such as the Philippines, we can only guess as to future developments in other countries, such as Britain or America. However, in our view, this is an interesting matter and one which deserves some serious thought. We would like to hear from some of our readers who may have views on the subject.

INDUSTRIAL REVIVAL

SHANGHAI'S industry, which is estimated as representing between 50 to 60 percent of the nation's total industrial plant, has for some years been in a semi-depressed, unhealthy state. Always largely dependent upon foreign sources of supply for many of its raw materials and almost equally dependent upon foreign markets as outlets for its finished products, the city's industrial establishment was never set upon a very firm base.

With the advent of the Sino-Japanese War, followed by the civil war, the condition of the city's industries gradually worsened. Year by year Shanghai became increasingly isolated from the hinterland and was forced to depend more and more upon foreign countries for raw materials as well as for outlets for the city's manufactured goods.

In the few months preceeding the liberation, conditions deteriorated rapidly. Many of the normal aspects of life were reduced or suspended, while the KMT spent a large portion of its energies in levying and confiscating both raw materials and finished products from the factories. The result was that when the PLA arrived, a major portion of the city's industry was at a standstill.

Almost immediately after this liberation the KMT imposed a naval blockade on the port

and commenced sporadic bombing of the city and the lines of communication leading to the countryside. Still more factories were forced to suspend. Long dependent upon foreign raw materials and markets, which were by then cut off, many factories had no alternative but to close.

It has now been just slightly more than half a year since the liberation. The progress during this period has been astonishingly great. Gradually, week by week, more and more factories have reopened as raw materials have become available from the countryside and as outport markets have opened up.

In June, the first post-liberation month, industry was more or less at a standstill. In July some progress was made but, on the other hand, many factories which had managed to carry on during the previous month because of stockpiles of imported raw materials exhausted their supplies and were forced to suspend operations. In August the upturn began. Surveys of different factories during that month and the following two months showed a steady recovery in most lines of industry. Surveys in August disclosed that about 40 percent of the plants investigated were in operation. September's survey, which did not entirely duplicate the field covered in August, showed the operation level to be nearly 60 percent, while a survey in October showed that operations were above 70 percent. No later overall figures are available, but scattered industry by industry reports indicate that virtually all lines of industry register a monthly increase in their output, with fewer and fewer plants left idle in the city.

There are several reasons for this rapid upturn in the face of what a few months ago appeared to be insurmountable difficulties. Perhaps the outstanding reason can be summed up in two words, good government. While such an explanation may seem too simple, the importance of this one thing alone can be appreciated when one recalls the rotten, inefficient administration of the past. In days gone by, the Kuomintang government more than any other single factor, was responsible for the many ills besetting the country.

Of course, just clean and efficient government alone could not have overcome the many difficulties facing Shanghai's industries at the time of liberation. Along with the improved administration has come overall planning, intelligent and persistent attempts to demonstrate the value of cooperation to workers, management, middlemen, farmers, and others. The organization of the state trading and financing organs which regulate, but do not monopolize, the interflow of supplies between city and village, is just one aspect of the aid given by the new authorities in regulating and stabilizing the economy.

Perhaps the greatest lesson to be gained from the unexpected revival of Shanghai's stagnant industry during the past half year is that wonders can be accomplished providing there is good organization. While physical limitations are naturally of extreme importance,

their weight in the total picture here has certainly been lessened by the demonstration of what can be accomplished through proper organization. Shanghai's industry has nothing more than it had last year. In fact, it has considerably less of some things formerly believed essential. However, through organization of industry, with due regard to its position in the overall organization of the whole economy, what seemed impossible six months ago has now become possible.

25 Years Ago In *The China Weekly Review*

Congress Provides Modern Yangtze Control

December 20, 1924

The United States Senate on December 12 passed the Naval Appropriation Bill held over from the last session of Congress and included in the measure provision for six modern patrol boats for service under the American flag on the Upper Yangtze River. According to a radio dispatch from Washington appearing in the *China Press* on December 13 of last week it was indicated that the boats will be constructed in the United States. However, a letter received by the *Review* a few days ago from Admiral W. W. Phelps, former commander of the US Yangtze Patrol, states that it is possible the hulls of the ships may be built in China, but that the engines and equipment will be constructed in America. According to Admiral Phelps, the new ships are to be a long step forward in this type of construction.

Honan Missionaries

All the missionaries residing at Kiähsien, Honan, have fled to Hsuechow on account of uncertainty in connection with the disturbed military situation in Honan province. All passenger services on the Peking-Hankow Railway are entirely suspended, and it is urged that traffic be opened as soon as possible. The mission schools at Hsuechow have been dismissed.

10 Years Ago In *The China Weekly Review*

Japan's Finances

December 23, 1939

Japan has issued since the outbreak of the present China war Yen 10,662,000,000 worth of domestic loans. These issues increased the national funded indebtedness of Japan from Yen 10,580,301,000 at the end of June, 1937, to Yen 20,859,382,000 at the end of last month. The outstanding bond issues for the remainder of the current fiscal year, and the Yen 5,500,000,000 issues contemplated for 1940-41, will raise this indebtedness to well above Yen 28,000,000,000. The mere service and amortization of this indebtedness will require over Yen 2,000,000,000, i.e. practically half the total regular revenue which Japan is estimating for her next fiscal year. In the light of this figure, it is not to be wondered at that Dai Nippon's Minister of Finance feels that in his new budget estimates he cannot go farther than he already goes. These estimates mean the seizure of no less than one-third of the total national income of Japan at the present time. For months past, bond absorption in Japan has decreased, while inflation has constantly increased, and the Bank of Japan's note issue is establishing one all-time high record after another.

From: "Session of Japanese Diet Will Screen Vigorous Budget Battle Behind the Scenes" by John Ahlers

Nippon Importers Move to Forestall Embargo

With the American-Japanese Treaty of Commerce and Navigation due to expire on January 26, Japanese importers have undertaken 'vigorous' negotiations with exchange banks to secure United States' currency for the purchase of scrap iron, raw cotton and non-ferrous metals in America, the *Tokyo Asahi* reported on December 16. Importers were thus endeavoring to forestall a contemplated American embargo on exports to Japan, although in the opinion of the *Asahi* it was 'hardly imaginable' that the US Government would prohibit such exports.

Philippines: A Dependent Republic

Election of Quirino, the American "choice," increases Philippine dependence on US aid to stave off bankruptcy and economic chaos.

THE reelection of Elpidio Quirino as president of the Philippines has increased rather than decreased United States responsibilities for the economic survival of this chaos-threatened republic. Further assistance by the United States to keep the Philippines from bankruptcy appears to be a foregone conclusion.

Quirino was the American "choice," not because he was particularly able and experienced, but because he was the "lesser of two evils." The oppositionist candidate, Dr. Jose P. Laurel, might have provided a more efficient and possibly a more honest government than Quirino. But Dr. Laurel has a record of continued anti-Americanism, a record he has tried to disguise by claiming he was not anti-American but only pro-Filipino. In any event, he would have been a difficult man for Washington to control or influence.

Quirino is considered a weak leader, one who lacks a broad grasp of basic economic principles. But Quirino is pro-American. With him again in office, the Americans feel assured they will retain their strategic position in the Philippines, and that American businessmen will enjoy the favorable position they now occupy.

Officially, the United States was neutral in the November 8 election. But the Filipinos clearly recognized that Washington favored Quirino's return to office. Thus pro-Americanism vs. anti-Americanism became a major, although actually a superficial, issue in the campaign.

Dr. Laurel's record of collaboration with the Japanese and his known anti-Americanism made the Filipinos feel dubious about further American aid if he was elected. On the other hand, a large part of the American expenditures had been made during Quirino's tenure in office. And Quirino had just visited the United States and been warmly received by President Truman.

Actually, there were great issues in the presidential campaign, and it is a sad commentary on Philippine political life that domestic issues were not in question. The battle was one of personalities. All of the candidates presented vague platforms for increasing the well-being of the people. But none of them had a point-by-point welfare program. As one newspaper pointed out, "none of the candidates really represents the people."

Quirino accused Dr. Laurel of being a collaborationist with the Japanese. This was an effective attack, because the Filipinos still remember the horrors of the occupation. But Quirino was also a collaborationist, although on a lower level and with considerably less enthusiasm than Dr. Laurel.

Dr. Laurel accused Quirino of corruption and ineptitude, and was in turn accused of nursing fascist-like inclinations in regard to exercising power. But Dr. Laurel could not explain the source of excessive yen deposits he and other members of the Laurel family had in Japanese banks on VJ Day, funds which could only

have been profits from collaboration. And on the question of dictatorial methods, the Quirinistas are far from clean. Machine control in the provinces is brutal.

Quirino had an almost unbeatable combination. His strongest prop was the obvious favor he enjoyed in Washington. In addition, his political machine controlled a majority of the provinces, and he had the police and constabulary behind him. Terror and intimidation were used to destroy political opposition.

The Quirinistas controlled the public purse. Government employees received accrued back pay just before the election. And for months local Quirino supporters had been manipulating public works expenditures to make certain of questionable districts.

In Negros Occidental, the governor publicly guaranteed he would deliver 80,000 or more of the 100,000 registered voters—a task he found comparatively easy after he had driven the opposition to cover. In Lano, half of the entire population (including children) were registered voters, whereas the countrywide proportion was one out of four. In three of Lano's municipal districts, the number of registered voters was greater than the actual population. One hacienda which contains three houses had 556 registered voters.

Even if there had been no issue of "pro-Americanism," Quirino probably would have won. In the Philippines, or elsewhere, a machine with money is hard to beat.

With Quirino's election to a four-year term, however, the United States has a greater moral responsibility toward the republic. Aid will be necessary, and in the near future, to keep the government from foundering. If such aid is forthcoming, the United States will probably impose greater controls than those exercised over the US\$1,600,000,000 poured into the Philippines since VJ Day. For much of this was squandered on luxuries or nonessentials, rather than used to rehabilitate the country's war-devastated economy.

The Filipinos emerged from the terrible years of the Japanese occupation with their cities devastated, their mines ruined and their export production crippled. The United States mapped out an all-embracing program of friendship and aid. By the end of 1951, nearly US\$2,000,000,000 will have been pumped into the Philippines in one form or another. But today, instead of the Philippines being on its feet and looking forward to a prosperous future, the young republic is rapidly approaching bankruptcy and

its productive potential is still largely undeveloped.

The Philippines today bears a curious resemblance to postwar China. The government is inefficient and corrupt, and the leaders seem primarily interested in aggrandizing power and riches. There is a small armed peasant resistance, apparently guided by Communists, and held in check only at considerable cost and with great difficulty. No attempt has been made to deal with the semi-feudalistic social and economic structure which in other areas of Asia has bred revolution. And, finally, the government while recognizing its mistakes lives in a dream-world in which the United States is the uncomplaining source of help in unending quantities.

The Philippines is a fascinating case history of how foreign aid when inadequately administered often corrupts and weakens a nation instead of giving it strength. Since VJ Day, the United States has poured US\$1,600,000,000 into the Philippines in the following forms: US\$315,000,000 for war damage claims; US\$135,000,000 surplus property transfers; US\$108,000,000 as military assistance. The United States Army expended US\$400,000,000. The balance includes payments to veterans or their survivors, civilian supplies, UNRRA aid, US\$90,000,000 in refunds on excise taxes levied before independence on Filipino coconut oil and sugar exports to the United States and a US\$60,000,000 RFC loan to cover a 1947 budget deficit.

In 1950, the Philippines will receive at least another US\$240,000,000 in war damage compensation, veterans payments, military aid programs and United States Army and Navy expenditures. After next year, United States payments will dwindle to an estimated annual US\$75,000,000 for veterans benefits and military expenditures.

American expenditures here, if used efficiently, would have been sufficient to repair the ravages of war and build a solid foundation for Philippine recovery and self-sufficiency. But what happened?

The transfer of surplus war supplies to the Philippines provides a good example. The United States gave to the Philippines surplus supplies which originally cost US\$1,121,000,000. This was considered as partial compensation for the Filipino war effort and payment of other United States obligations. This "fair value" of these supplies was US\$135,000,000, or about 12 percent of the original cost.

The Philippine Government sold equipment and material with a rough "fair value" of US\$100,000,000 but received only US\$42,000,000. Even this did not all go into the government coffers because administrative expenditures amounted to the fantastic total of US\$10,000,000 or roughly 25 percent of the receipts.

Officials and businessmen made fortunes running into hundreds of thousands of dollars by purchasing surplus property at low prices through rigged bids, and then selling it at inflated prices. Many individuals, including almost every member of the Surplus Property Commission, high

Robert P. Martin is a correspondent for Overseas News Agency and the New York Post. This article is based on a series of three stories written by Mr. Martin following a recent visit to the Philippines.

officials and President Elpidio Quirino himself, received surplus at absurdly low prices—and on credit. Few of these credits have been paid.

The United States is also financing rehabilitation of war-damaged property at an expenditure of US\$520,000,000. The American War Damage Commission has paid 876,000 of 2,260,000 small claims amounting to US\$500 or less, and totalling US\$120,000,000.

Some of these payments have been used to rebuild houses, buy agricultural implements or farm animals, and in that sense have contributed to Philippine recovery. But in the larger sense, payments for war damage claims, which Congress declared must be used to rehabilitate the country's economy, have helped to finance imports of luxuries and speculative investments.

The Commission has approved nearly 200,000 claims of US\$15,000 and more, and has made payments totalling US\$115,000,000 in this classification. But many Filipinos and Americans charge that the Commission has done nothing to guarantee that these funds are used to increase Philippine production or finance imports of essential supplies and capital goods to rehabilitate the economy.

One brewery firm, for instance, privately financed rehabilitation of its plant and, two years later, paid off part of its indebtedness with war damage payment. Mining companies have used money allocated to rehabilitate mines in financing speculative construction work.

Critics of the Commission argued that payment to the brewery should have been predicated on use of the funds in financing other productive investment when it was obvious the brewery could easily retire its indebtedness from profits.

The Commission, however, retorts that it has no desire to dictate how individuals should use their payments, and that they have no power to determine exactly how payments are to be used.

The government has not been inclined toward regimentation of investment to insure an increase of production. The Rehabilitation Finance Corporation, for instance, has in the last 30 months lent nearly twice as much to real-estate operators as to industrialists. The real-estate speculators got nearly four times as much as was loaned for agricultural experimentation.

American funds have not been entirely wasted. Considerable progress has been made in restoring war-damaged schools, government buildings, private houses and some industrial plants. But Philippine needs in the form of capital goods, to expand production of food and export goods or raw materials, have been largely ignored.

Despite ominous warnings of Filipino and American economists, this country is still importing non-essentials instead of necessities. This year, for instance, only 15 percent of the total imports consists of capital goods. Rayon, cotton and cotton goods, grains and automobiles top the list of im-

ports; machinery and electrical equipment rank a poor eighth.

When the war ended, the Philippines had a United States dollar reserve of US\$500,000,000, which has since declined to US\$263,000,000 because of demands for conversion of the peso to dollars to cover profits and interest remittances. This decline in reserves is expected to increase rather than decrease in pace during the next two years.

The government's budget is out of balance, and the estimated deficit during the 1949-50 fiscal year may total US\$75,000,000 although some estimates place it as low as US\$40,000,000. The actual deficit is a government secret, since the Philippines is operating without a budget because of an early adjournment of the legislature this summer.

American investment capital, instead of pouring into the Philippines in a lavish stream, is carefully avoiding large-scale commitments. Not a single major investment has been made in the Philippines since VJ Day. Even the World Bank has shied away from proposals to finance construction of power plants until it has received assurances that "needed financial reforms are being carried out."

Uncertainty as to the future and fear of possible economic collapse have contributed to making the Philippines undesirable in the eyes of potential investors. In addition, investment channels are difficult to find at the moment. Abaca plantations, small steel rolling-mills, and fabrication plants have been suggested.

Some Americans here are discussing the possibility of liquidating their holdings while the peso is still freely convertible to the dollar. There has been no flight of capital as yet, but economists foresee the possibility of such a flight taking place in 1951 when current United States financial operations in the Philippines have more or less reached their end.

The picture is not totally dark. Prices have dropped to the point where the Philippine standard of living, based on wages and prices, is about what it was before the war. At the same time, there is increasing unemployment; when the government recently asked for applicants to work in a government corporation, 36,000 applied.

Lumber exports are increasing. Some progress is being made in increasing food production, but the Philippines still has one of the lowest per-acre rice production levels in the world. Food imports are double what they were before the war, which is partly attributed to the increase in population. But the Philippines imported US\$30,000,000 worth of rice last year at a time when agronomists were declaring that Philippine production could be increased 25 percent by using new seeds. Restoration of mines is just beginning, as a result of decreased labor costs and prices of material for rehabilitation.

The Filipinos have had grandiose dreams of their country becoming the workshop of Asia. But they are stymied by the lack of raw materials and power resources. There is a future for them, however, in expanded agricultural production and in light industries to reduce their dependence on foreign producers.

— ROBERT P. MARTIN

Sulking In The Philippine Dark

PRESS dispatches from Manila tell of increasing unrest in the countryside and a growing number of clashes between dissident forces and the Philippine Constabulary.

President Quirino this month authorized the addition of "at least 5,000 new soldiers" to bolster the Constabulary. Press reports said the increase is designed "not only to rid the country of lawlessness in certain strife-ridden provinces but also to restore the present army combat teams, presently being utilized by the Constabulary in its peace and order drive, to the army."

The Constabulary has also been alerted, a precautionary measure which is to last until January, and one taken, according to press accounts, because of "the delicate current political situation in the country."

President Quirino acknowledged the seriousness of the situation in a broadcast last week when he told the Philippine people that if they think they have legitimate grievances they should go to the courts. They should come out and not sulk in the dark to plot revolutions that degenerate into physical and moral ambush of the innocent, he was reported as saying.

The most recent episode occurred in the Luuk district of the Sulu group of islands on December 15, when a number of Moros ambushed Philippine Constabulary forces, killing two officers and 12 enlisted men. Fighting ensued for several succeeding days, with government

land and sea batteries reported to have pounded the Moro stronghold on Mount Patato. Two Philippine naval patrol boats laden with Constabulary troops were reported rushed to the southern tip of the Sulu islands to intercept a band of Moro "outlaws" numbering about 1,000.

Another recent attack broke out in the southern Luzon province of Batangas, about 70 miles south of Manila. There, Constabulary barracks were attacked by a group of "political rebels" led by General Francisco Medano and a number of Constabulary prisoners forcibly released.

Complaints are reported to have been received in Manila over the disruption of normal transportation facilities between Manila and Batangas "because of the menace of dissidents on the provincial highway."

Meanwhile, figures made public by the Bureau of Labor revealed that of the Philippines' 16,000,000 population, 1,045,000 are at present unemployed.

Another recent development in the Philippines has been a move to control foreign exchange. The regulations restrict sales of exchange by the Central Bank of the Philippines and subject all transactions in gold and foreign exchange to licensing. The result, according to press dispatches, is "a relapse into conditions described as similar to those in Shanghai in 1948, with ever-increasing black markets of many commodities, including currencies and gold."

What Next In Asia?

Henry Wallace answers three questions put to him by the Far East Spotlight, publication of the American Committee for a Democratic Far Eastern Policy.

Question: The State Department's White Paper on China says repeatedly, in reports dating back to 1944, that the Chiang Kai-shek government has been corrupt and unwanted by the Chinese people. It also concedes that the Communists have brought "modern, dynamic, popular government." Secretary of State Acheson's letter of presentation says "nonetheless we continued, for obvious reasons, to direct all aid to the Central (Chiang) government" and intimates that future US policy will be directed toward the overthrow of the new coalition government about to be formed in China. What accounts for this contradiction?

Mr. Wallace: As long as the Administration and the bi-partisan leaders of our foreign policy are obsessed by hatred of Soviet Russia and determined to pursue the cold war they will always find themselves in the contradiction you point out. In the name of supporting and extending democracy, we have consistently supported anti-democratic governments. In the name of opposing interference in the internal affairs of nations, we have consistently interfered ourselves.

After I visited China in 1944, I reported to President Roosevelt: "Chiang, at best, is a short-term investment. It is not believed that he has the intelligence or political strength to run post-war China. The leaders of post-war China will be brought forward by evolution or revolution, and it now seems more

likely the latter." Everyone who knew anything about China knew this.

Mr. Acheson admits that what has happened was inevitable because of the corruption, the backwardness, the reactionary nature of Chiang's regime.

The Chinese Communists are triumphing because they offer land reform and other basic social changes needed by the Chinese people. They would be winning even if the Soviet Union did not exist. To call their victory a victory for "Soviet imperialism" is of course typical of the incredible hypocrisy that pervades our national leadership today. As long as the bi-partisan leaders identify all movements of social reform and change with "Soviet foreign policy," we will find ourselves being allied with forces of reaction all over the world and we will incur the enmity of people everywhere.

Question: Secretary Acheson's statement as to future policy in Asia indicates that the US will back and arm a Pacific Pact, including the remnants of the Chiang Kai-shek regime, as requested by Philippine President Quirino on his visit to Washington. Could such a Pact succeed? Would it accord with the interests of the American people?

Mr. Wallace: I certainly do not believe that a Pacific Pact will succeed any more than the Atlantic Pact will and I most emphatically believe both to be contrary to the interests of the American people. All the shipments of arms in the world won't

give the people of Asia tools to cultivate their lands with, or food to feed their families with, or clothes to hide their nakedness. Yet tools, food, clothes are what the Asiatic peoples desperately need, not tanks and guns.

A "Pacific Pact" is supposed to halt "aggression" and strengthen democracy. Actually, of course, it will weaken democracy. It will saddle the impoverished men and women of the Pacific with armaments programs they can ill afford. It will stimulate the real aggressor—poverty. It will thus increase discontent, which will in turn spur more arms shipments to the Pacific and divert more of Asia's resources to military use. It will thus engender a vicious circle that will defeat the very ends a Pacific Pact is ostensibly supposed to gain.

If the Administration really wanted to see Asia prosper—and wanted to serve the cause of international peace—it would immediately propose and back to the limit a World Development Fund to be administered by and through the United Nations, to build up the economies and industrial potential of the nations of Asia, and provide a huge market for American goods. It would cost a fraction of what we and other nations are spending on the arms race. It would serve the interests of the American people—and all the peoples of the world.

Question: Do you think the US should apply a blockade and economic boycott against the new China, as now seems certain? Or should it seek diplomatic and trade relations with it?

Mr. Wallace: The only honorable and practical course, first, is to establish normal diplomatic relations with the new government as soon as it is stabilized, and second, to enter into negotiations for trade as quickly as possible.

As I write this, there are over 5,000,000 unemployed in the United States. China offers a huge potential market for our goods—offers a trade that can mean jobs for American factory workers and maritime workers. West Coast shipping would get out of the doldrums. It would be good business for us. And at the same time it would help stabilize conditions in China and make it less difficult to carry out economic and social reforms so badly needed by the Chinese people. The beneficial effects would be felt throughout the entire Far East.

A blockade and economic boycott, on the other hand, would be both criminal and stupid. It would create needless misery both in China and here at home, and would contribute immeasurably to the instability which the Administration theoretically wants to end.

— HENRY A. WALLACE

(Reprinted from the Far East Spotlight)

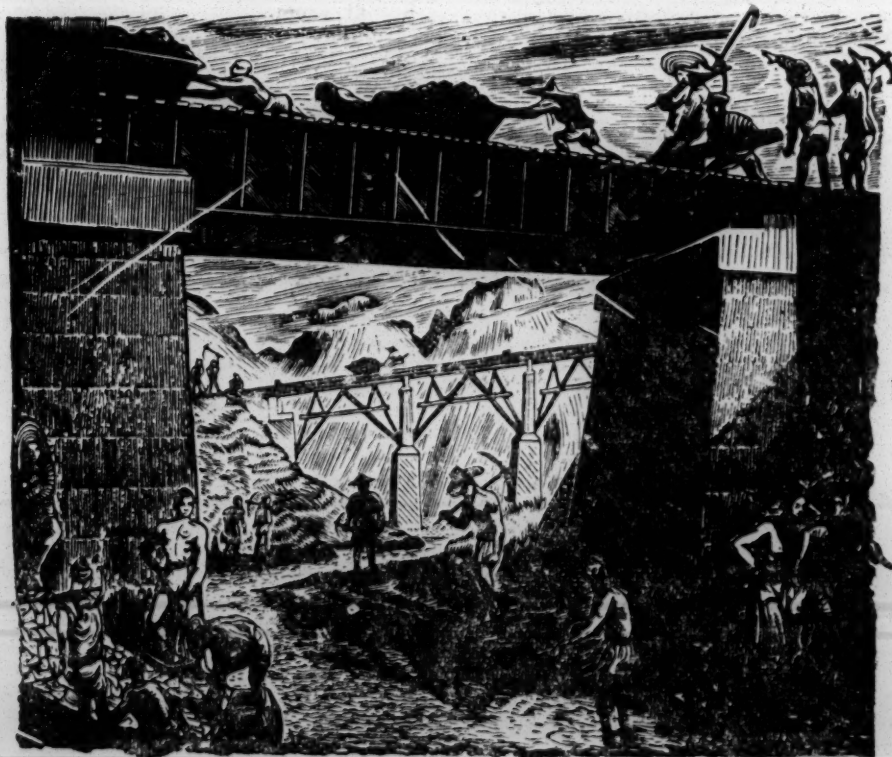


Illustration by [illegible]

A short story by Ke Lo (葛洛)*

SANITATION COMMISSIONER

Translated by Sidney Shapiro

IN our village, I'm the sanitation commissioner, elected by the community. We have twenty some odd families, consisting of over 100 persons. The village is terribly backward and not the least interested in sanitation. Animal manure and dung are all over the place. No one sweeps from one year to the next. People don't wash their hands and faces, and even the food they eat isn't clean. Mothers feed their children in the stable yard. If someone gets sick, they send for a witch doctor who may use a horse's hoof in his "cure" routine. Everyone's brain is feudal, superstitious, thick as an elm wood knot. You couldn't knock sense into it with an axe.

Daily, I tour the whole village, preaching sanitation. But how is it received?

For instance, I call at a home and see that they haven't covered the leftover food. I say:

"Not covering food attracts flies." I get a cover and put it on the food. The mother of the house calmly sits on the k'ang and replies:

"Let them eat if they want to. What right do I have to interfere when the gods grant them a little mouthful of nourishment?"

"Those flies have crawled over dirty things," I tell her, and start to repeat what the district health commissioner explained about germs.

"Dirty-smirty," she interrupts. "That food won't make me sick."

"Make you sick!" I roar. "You're lucky if it doesn't kill you!"

She laughs heartily:

"Now don't you try to frighten me. Before now I never heard of this 'sanitation' business, and lived a healthy, uneventful life. What's more, I'm still good for another twenty, thirty years."

Sometimes, I check the privies to see whether they've been swept. This amuses the folks tremendously. They guffaw:

"Your duties sure are broad, Ch'iao, old man. They even include other people's urine and stool!"

When I try to interest the women in a class in midwifery, I'm likely to get a friendly poke in the shoulder, and the remark:

"You're busier than a dog with fleas. You've got enough to do looking after the men, without butting into women's affairs. Be off now, go on, git!"

ONE day, I called for the cadre and the progressives to turn out to sweep the village. When they all were finally assembled, we started cleaning with a will. Like an army in battle, ranks of brooms and files of rakes moved forward together. A cloud of dust flew skyward. Talking and laughing, the group worked right across the village. But when we turned around to take a look, there on the ground we had just swept, two

old sows were fouling the road with their dung and using their snouts to root up the smooth earth. No one ever bothered to pen their pigs. A litter of piglets then trotted up, gradually followed by assorted chickens and ducks out for their stroll. With a raucous, "hee-haw, hee-haw," a donkey, carrying water, deposited his smelly contribution. Women flung their kitchen ashes into the road. The place soon looked just as it did before we started sweeping.

I laced it into the villagers at the town meeting:

"You people elected me sanitation commissioner," I said. "If it suits you not to be concerned with sanitation, that's all right with me. I'll quit!"

That scared them a little. They all began talking at once to calm me down:

"Good old brother Ch'iao, if we do something wrong, you just go ahead and criticize us. What's this talk of quitting!"

"We're farmers, plow pushers—"

"From today on, we'll do whatever you tell us."

"This sanitation is like a new bride. You've got to go slow!"

The next day, every home was swept thoroughly, food was covered, and the pigs were penned. There were no more wisecracks. When I ordered a place to be cleaned, everybody grabbed brooms, rags and mops, and pitched in. This lasted exactly three days. Then they forgot about it. At the next meeting, I was furious again, and they were contrite again. That's the way they are. They make me want to laugh and they make me want to cry, and I can't do either.

SO far, I've only been telling you about the difficulties during my working hours. When I go home, conditions are still worse. The habits of my mother and wife haven't changed with the new society. What I tell them about sanitation goes in one ear and out the other.

Sometimes my wife's jacket gets completely filthy. I impatiently point at it and say:

"What's matter with you taking that thing down to the stream and scrubbing it a while?"

She laughs embarrassedly and pats the jacket a couple of licks:

"I'm so busy all day. No time."

She always forgets to sweep the floor. When I practically force her, she may sweep a little around the kitchen stove.

What's worse, she doesn't boil water for drinking. According to a regulation my office issued, every family must have a pan for boiling water. During June and July, our village has many visitors from distant places, and they come thirsty from travelling in the hot sun. It's easy enough to give them a little boiled water.

"Go on, drink," you say. "The water has just been boiled."

If they want to drink fresh water, you tell them:

"Our village is sanitary. Nobody's allowed to drink unboiled water."

It would be great, if that's the way we did things!

But every day, when we finish a meal, instead of boiling water, my wife uses the pan for cooking up swill for the pigs. Catching my angry stare, she smiles sheepishly and says:

"I forgot this time. Next time, I'll definitely prepare the water for you."

Comes next time, and she forgets again.

MY wife and mother are pretty dumb about sanitation. They're forever laughing at me behind my back. A couple of days ago, I bought a wash rag in the market place. Now, every morning when I get up, the first thing I do is wash my face. To make sure I'm really clean, I may take a look in the mirror my wife uses when she combs her hair. After all, I'm the commissioner of sanitation—the guy who bawls other people out. This gives my wife the giggles.

"What's so funny!" I demand. "If you had any sense you wouldn't go round making noises like you just laid an egg."

Mama then puts in her two cents. Calling me by my baby name, she smiles:

"Our Sonny is getting himself all tricked out like a groom."

Occasionally, when I'm sitting on the k'ang eating my dinner, the baby suddenly moves his bowels right on the k'ang. (Chinese kids' pants are made with a slit in the back, for convenience. A k'ang is a rectangular box-like piece of furniture, with close-in sides, located against a wall. During the winter, it's heated from underneath, and the family sleeps on it at night, and eats or works on it during the day.) How does my wife clean the mess? She takes a whisk broom, sweeps the stuff away, and that's that. I get disgusted and can't eat. I just glare at them.

"Humph, look at the aristocrat!" Mama sniffs. "There isn't a k'ang in town that some baby or other hasn't dirtied. You get to be sanitation commissioner a couple of days, and right away you're 'different.' Soon our simple home won't be good enough for a god like you."

I just burn and don't answer her.

ONE day, a very troublesome thing happened. My wife came back from picking bean pods late one afternoon and said she felt dizzy. She lay down to rest on the k'ang and didn't get up 'til dark. She was nauseous and said her whole body ached. My mother frowned thoughtfully. I felt my wife's forehead. She had a little fever. I looked at her tongue:

"It's not coated," I said. "Out on the windy plains, she probably caught a touch of the gripe."

Mama looked at me kind of sceptically.

"If the doctor from the hospital is in town," I continued, "he can give her a shot. I guarantee she'll be better in no time. Completely cured."

I asked my mother to make some sour peppery soup. She stood there, motionless, for a minute, then sighed and went off to make the soup. My

wife drank half a bowl. That was all that happened that night.

The next day, I got up early. Mama was already up. She was seated beside my wife, intently looking at her face.

"Listen!" Mama whispered. "She's delirious."

My wife was mumbling something I couldn't make out.

"She's got a high fever," I said. "It's not serious."

My mother looked grave and didn't answer.

When I finished breakfast, my wife was still lying on the k'ang, muttering. My mother led me outside the door to the locust tree.

"Sonny," she said, "your wife is possessed by an evil spirit."

"Evil spirit, my eye! She caught cold. She'll be better in a day or so."

"When she went to pick bean pods, she passed the foot of the cliff. People say the cliff is unclean. Last December, T'ien Lao Wu's wife was bewitched at that very spot."

"How can you listen to such superstitious rot!"

"You have to bribe the spirit or it won't go away," Mama went on earnestly. "Old man Kao, who lives in our village. . ."

"Don't you dare call him!" I interrupted. "If that old fraud so much as sets foot in this house, I'll punch his silly head in!"

As I turned to go, Mama stared at me, wide-eyed, and then sighed helplessly.

OLD man Kao was known as "Wizard" Kao. Just the mention of his name makes me mad. Conversion of the "Wizards" was the first requirement on the list of our public health regulations. Right after our initial activities meeting, I had gone to call on him:

"Turn over your Three Mountains knife. That sort of thing doesn't go any more."

Old Kao bared his teeth ingratiatingly:

"Dear brother Ch'iao, are you going to take my living away?"

"If you want to eat, you've got to do productive work. Swindling people is out."

"Don't make jokes, dear brother Ch'iao," he whined. "I need that knife for the public good."

"Nobody's joking with you," I re-

plied coldly. "Let's have it and be quick about it. I came here to do a job and don't want any scenes."

I finally found it myself in a rear cupboard. Old Kao's forced smile changed to a grimace of hate. As I left, I could feel his eyes gnawing my backbone. Since that day he'd just been waiting for a chance to get revenge.

The old buzzard had plenty of angles. Three days hadn't passed from the time I took his knife, when he dug up another one, God knows where. Every night, in the darkest hours, the "twaang!" vibrations of the Three Mountains knife permeated the stillness of the village. I was furious. And that's the guy I was asked to invite to cure my wife!

AFTER I had that talk with Mama, I decided I'd better do something, fast, and walked from our village to the big town. The day before, the town mayor had told me that a doctor had come from the Yen'an hospital to examine the people in our region. I stopped at the regional government office, but both the mayor and doctor were out. I was told that they had gone to make a check in another village in the opposite direction that the town was from our village. They were about seven miles from the town and nearly 13 miles from where I lived. There was nothing I could do except leave word asking the doctor to go to my place as soon as he returned.

When I got home, my wife was moaning on the k'ang. Mama looked distracted and didn't greet me. The baby was crying. Mama picked him up and rocking him in her arms, said in mock sternness:

"Cry! Keep on crying and I'll throw you in the canyon for the wolves to eat. When you were just born, I couldn't do enough for you. Now that you're a little bigger, you don't listen to me any more. Raising a boy is a thankless job!"

I knew her words were meant for my benefit, but I didn't answer. I just thought, "No matter what you say, you're not calling in that damn wizard."

THE following morning, my mother-in-law arrived, in response to a letter my mother had written. She is a small woman, about forty-six or

seven, with thinning hair, and a goitre on her neck. When she came in, she put down a small basket of eggs and her crooked walnut walking stick, and sat down on the edge of the k'ang. Mama came out from behind the kitchen blowing her nose with her blackened fingers. Sniffing and snuffing she welcomed our relative.

My mother-in-law didn't have much to say. She half reclined on the k'ang, and stroked my wife's forehead. Sticking her face against my wife's, she crooned:

"Darling, darling, open your eyes. . . Mama's come to you." Then, with a deep sigh:

"Oh, my poor baby!"

Pretty soon the two old ladies were outside the door, softly talking over the situation. I could hear my mother-in-law saying:

"Why don't you call him, right away?"

My mother answered something, and again the sound of my mother-in-law's voice:

"Ah . . . I nursed her with every drop of milk and fed her every mouthful of food, and look at the state she's in today! Is everything up to him? If the worst comes to worst, I can always take her home with me. . ." She coughed and came back in to the house, followed by my mother.

I pretended not to have heard what they said and kept my head down as if intent on repairing a hinge I was holding. My mother-in-law came over to me and said:

"Daughter is very sick. You should have called someone in to treat her, long ago. Her life is in danger!"

"This morning, I already went to the regional office to call the doctor," I replied. "As soon as he gets back, he'll come here."

"Sending for a doctor is no use. Her illness isn't the kind medicine can cure."

"There's no sickness medicine can't cure. The doctor from the Yen'an hospital cures more people every day than you can count!"

"She obviously was taken by an evil spirit. You must call in a witch doctor!"

"There's been a meeting in this township," I said patiently. "We all agreed to wipe out superstition. No one is allowed to call in any witch doctors."

My mother-in-law's face and even the goitre on her neck purpled with anger. She pounded her stick on the floor and screamed at me:

"I don't give a hoot in hell what you people decided! She's lying deathly ill on that k'ang and you won't let anyone send for the witch doctor! She's my daughter, and I'm going to call him, and I'd like to see anyone try and stop me!"

Slowly rising to my feet, I told her evenly:

"The people of this village elected me sanitation commissioner. Anybody who breaches our health regulations is looking for trouble, and I'm the guy that'll give it to him!"

My mother-in-law didn't say a word. Her eyes seemed to grow bigger in her wizened little face. Then, she abruptly covered her face with her hands and cried:

"Oh my baby! My poor baby! What did you do to deserve a fate like this!"

Mama, who was sitting on the k'ang fussing with the baby, raised her hands despairingly:



Hygienic Education—Wang Liu-chiu

"Ay!—what a life!" Turning to me, she hissed: "Use your head! What are you standing there for?—have you taken root! Get some hay and go feed the ox!"

I stood there for a moment, then spun on my heel and went out.

AS if to spite me, the situation kept getting worse. By the morning of the third day, my wife was really desperately sick. She couldn't eat anything. She was so weak, you could barely make out her ravings. Suddenly she cried, quite clearly:

"You're coming? You mustn't come... If you come... I'll go!"

My mother-in-law hysterically burst forth at the imaginary devil:

"You still haven't gone? If you're so brave, stick around a while and we'll give you a hot reception! Just wait 'til the Black Tiger Spirit witch doctor starts to work on you...!"

"You're crazy," I broke in. "Who are you talking to? Her fever makes her talk nonsense. She doesn't know what she's saying!"

My mother-in-law didn't even look at me. As a partridge began calling in our locust tree, she whirled toward it and snarled:

"Coo! Coo! One more coo out of you, and I'll get a gun and blast you!"

Still no doctor! Was he too busy? There are plenty of sick people out in the country. Maybe he was stuck there. I went outside and stood looking down the road, but no sign of the doctor. A passerby told me that there had been a cloudburst in the mountains. The swollen mountain streams caused the river to flood, and now no one could cross it. The doctor was on the other side. There didn't seem any hope that he could come.

AFTER lunch, I got ready to go out, but Mama and my mother-in-law blocked the doorway and began giving me a sales talk on the witch doctor:

"Sonny," Mama begged, "show your Ma a little respect. I'm not long for this world, so you shouldn't aggravate me! We old folk can't change our ideas over night..."

My mother-in-law, with downcast eyes, said piously:

"This really is the test of whether you're a dutiful son."

"It's not a question of letting you call him or not," I said. "It's just that calling him won't be of any use."

"Don't look at it that way," my mother replied earnestly. "Humor the wishes of your old mother, like a good son. The girl is in such a serious condition! If anything awful should happen..." At this point the two old ladies burst into convulsive sobbing.

Their crying upset me terribly. I stood there, blankly, wavering. My mother, wiping her eyes, watched my face. Suddenly, she walked over to the cupboard, and after some fumbling, pulled out a piece of red cloth, some sticks of incense, and a stack of yellow paper to be burned as "spirit messages." Her eyes still wet with tears, she smiled happily and placed the things in front of me, exclaiming rapidly:

"It won't be the least trouble for you! Last time you were out, we had someone buy them for us so we could be all prepared!"

I took one look at their junk and felt as if my eyes were going to pop out of my head! I was staggered!

"You can invite the witch doctor if you want to," I said desperately, "but first let's call a meeting of the village and talk it over. The public health rules were agreed upon by the whole village. If they all agree that you may..."

They instantly looked stricken. Their faces were frozen, but their chins were trembling. I couldn't take it!

"All right, all right, call him! I wash my hands of the whole damn business!" I rushed out and began walking rapidly toward the big town to find the mayor.

MOVING at a good clip, I passed through several little hamlets, and soon could see the date tree covered plain on which the town was located. Just as I reached the shoals of the stream which bounded the western side of the plain, I ran into Mayor Wu. With him were Region Chief Chang, and another man wearing a grey military uniform and carrying a large knapsack. He obviously was the doctor from Yen-an. Was I glad to see him!

Region Chief Chang dashed up to me, and before I had a chance to open my mouth, began pumping my hand:

"Ch'iao, old fellow, you've had us frantic! We just got back this morning, and when we heard about your wife we set right out again with Dr. Han!"

"I'm sure being a lot of trouble to you," I stammered excitedly, "b-b-but now that you're here—let's go quickly!"

WHEN we reached home, a Five Soul altar was already smoking in the doorway, my wife was groaning on the k'ang, Wizard Kao blowing his whiskers and bulging his eyes, but the god he was summoning still hadn't quite descended!

My mother-in-law and Mama, seeing me return, were scared stiff. Mama collapsed on the k'ang. My mother-in-law tried to hide a frame containing an anti-demon drawing, but we had come in too quickly, and all she could do was nervously to hold it behind her back.

Old man Kao despondently squatted in the doorway. For a moment nobody spoke. Then, Mayor Wu addressed Kao:

"How is it that you're still up to your old tricks?"

Wizard Kao forced a laugh, started to say something, then changed his mind and remained silent.

"We're competing with neighboring towns for the best record in public health," continued the mayor hotly, "and it looks to me like you're the only one who's spoiling our record!" He strode menacingly toward Kao.

Region Chief Chang grabbed the mayor.

"Take it easy... don't get yourself all worked up." Then, turning to my mother: "How is the girl feeling today?" Without waiting for an answer, he moved over beside the k'ang where Dr. Han was standing.

"Is it the same thing again?" he queried.

Dr. Han looked up from examining my wife. He hesitated for a moment.

"It probably is," he said finally. "So it's reached here too!"

"It certainly spreads fast!" cried the region chief. "Yesterday, in the village we visited, out of a population of about 190, over 30 had it. When it first hits you, you run a fever. Then you become nauseous and your body aches all over. By the third day, you're unconscious..."

"Was it fatal there?" interrupted the mayor.

"If we hadn't caught it early enough, eight to 10 of the 30 would have been goners," answered the region chief. "Dr. Han was working day and night in that village. We saved nearly everyone. Only the wife of Li Shu Lao... We didn't get to her in time. She died."

"Li Shu Lao's wife!" gasped my mother-in-law. "Do you mean the daughter of Kao Lao Mo from the village of Kao Chia Kou—a girl just twenty?"

"That's right," answered the region chief.

A heavy silence enveloped all of us.

"Well, what do you say?" the region chief demanded of my mother. "We can't stay here much longer. There are other places with sick people waiting to see Dr. Han."

My mother shakily got down from the k'ang.

"Please," she pleaded, "now that you've come at last, let the doctor treat the girl."

"Isn't that why we're here?" scolded the region chief. "You should have called him long ago. He came here specially to look after the illnesses of the country folks!" He faced Dr. Han anxiously. "Is it serious?"

Dr. Han took my wife's pulse. "Not too bad," he replied, "though there is some danger..."

The room became very still. We all watched Dr. Han. He swiftly opened his pack and took out a red and green bottle.

In the doorway, Wizard Kao lit his water pipe with the flame of the oil lamp from the Five Soul altar.

MY wife has long since completely recovered. That day, Dr. Han gave her an injection and she slept quietly for the first time, all night. Afterwards, he came every other day for about ten days until she was cured.

At the same time, Region Chief Chang and Dr. Han checked every family in the village. Anybody who was sick was treated and cured. The people developed faith in modern doctors. Even the die-hards finally all came around.

As to Wizard Kao, we publicly criticized him at a village meeting. He accepted the criticism and admitted he was wrong. Today he drives a mule between here and Lan Ch'ih Ti, carrying salt.

Now, if my wife has a headache, or the baby is cranky, I kid Mama:

"How about calling in Wizard Kao to 'sweep their souls'?"

"Ha! 'smarty!'" laughs Mama. "All your life you'll never forget that affair!"

If my mother-in-law happens to be visiting us at the time, her face gets serious. She says she'll never forget it either.

* From "Liberated Area Short Stories," First Volume, edited by Chou Yang (周揚) and published by the Northeast Book Store, September, 1947.

NEWS OF THE WEEK

Chairman Mao Visits Stalin; Burma Recognizes; West German Revanche

ON Friday December 16 Chairman Mao Tze-tung arrived in Moscow. He was met by M. George Malenkov, Deputy Premier, M. Vyacheslav Molotov, Marshal Nikolai Bulganin and Deputy Foreign Minister Andrei Gromyko.

M. Molotov, Marshal Bulganin and M. Gromyko, along with representatives of Eastern European nations, were waiting when Chairman Mao stepped off a trans-Siberian express at Yaroslav station to the strains of the Chinese and Soviet national anthems.

Troops of the Moscow garrison formed a guard of honor. The station was bedecked with Soviet and Chinese flags.

Mr. N. V. Roschin, Soviet Ambassador to the Chinese People's Republic, arrived in Moscow at the same time.

During a ceremony at the station, Chairman Mao said that close co-operation between the People's Republic of China, which had a population of 475,000,000 people, and the Socialist Soviet Union is urgently demanded by the peoples of the two countries and desired by the people of the world. The improvement in friendly cooperation between China and the Soviet Union he said would contribute immensely not only to the construction of the new China, but would also be a determining factor in the peace campaign in the Far East and throughout the world.

Moscow radio reported that Chairman Mao was received on Friday night by Stalin soon after arriving in Moscow. The Soviet Foreign

Minister Andrei Vyshinsky was present at the interview.

In an editorial, the Shanghai *Giefang Rhbao* commented that the meeting of Chairman Mao and Generalissimo Stalin, leader of the working class of the world, constitutes a great historical event.

Burma Extends Recognition

THE government of Burma recognized the Central People's Government of China on Saturday December 17.

An official statement issued in Rangoon said: "Believing that the Central People's Government of China has the support of the people of China, and bearing in mind the traditional friendship between the peoples of China and Burma, the Government of Burma confirms recognition of the People's Republic and looks forward to the establishment of diplomatic relations and exchange of envoys."

Kuomintang Banditry

THE bodies of General Yang Hucheng and other victims of a massacre by the Kuomintang were discovered in Chungking after the city's liberation.

General Yang took part in the Sian coup of 1936 when he and General Chang Hsueh-liang arrested Chiang Kai-shek to force him to resist the Japanese invasion. Together with Chang Hsueh-liang, he had been im-

prisoned for twelve years since the outbreak of the Anti-Japanese war.

He was one of the victims of the massacre of over 500 political prisoners, including Communist Party members, perpetrated by the Kuomintang before the flight from Chungking.

The body of General Yang was dug up in a flower garden in the western suburbs of Chungking on December 11. Besides General Yang's body was a small box containing the ashes of his cremated wife who had accompanied him in prison and died two years after refusing to take food from her Kuomintang jailers, the *New China News Agency* reports.

Below General Yang's body was the mutilated corpse of his 20-year-old son. His son was barely eight years' old when he accompanied his father and mother to prison.

The bodies of General Yang's secretary, Sung Chi-yuan and his wife and son were also unearthed in the vicinity.

The massacre of political prisoners took place at the concentration camp of the "Sino-American Cooperation Organization" in the western suburbs Chungking.

This latest atrocity perpetrated by the Kuomintang has aroused the deep indignation of the Chungking public.

Among the five hundred victims of the Kuomintang killings were Hwang Shien-sheng, former subordinate of General Chang Hsueh-liang and once Kuomintang army commander; Chou Chun-shih, noted scientist and former president of Tung Chi University in Shanghai; Wang Pai-yu, former publisher of the Chungking *New Szechuen Daily*; and many students, journalists and writers as well as Communist Party members.

US Embassy to Taiwan

WASHINGTON reports that the United States Embassy staff, which was evacuated last month to Hongkong from Chungking, former KMT capital, will move this week to Taipei, Taiwan.

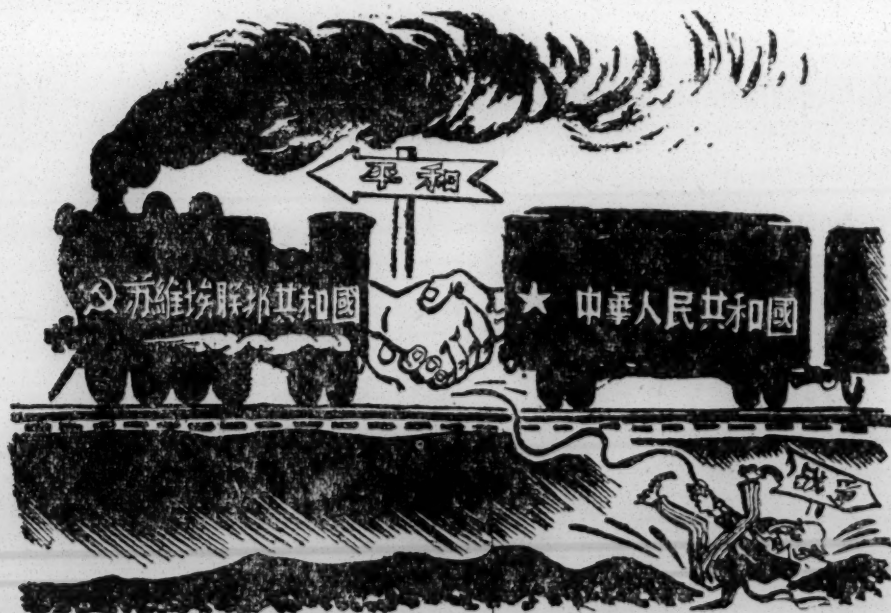
The State Department has received official notification from the KMT that Taipei is to be the new KMT capital.

Hongkong reports say many observers believe that Taiwan will fall to the People's Liberation Army within six months. Internal disruption and disintegration of the Nationalist command, accompanied by further widespread defections, particularly among the navy and army, are expected.

Irrespective of such developments, others believe that the PLA will be capable some months hence of forcibly taking the island.

Taiwan's 6,000,000 inhabitants are sullenly hostile towards the KMT, but lack leadership and unity, it is reported.

The morale of the garrison, numbering possibly 175,000, is being increasingly undermined by inaction and



This cartoon from the Hsin Min Wan Pao depicts Sino-Soviet friendship. Roadmark indicates the path to peace, forces pulling toward war have failed.

by the desire of many soldiers to return to their families on the mainland.

The garrison has more modern American equipment than it knows what to do with, but further American aid is still hoped for.

On December 14 in Washington, United States Secretary of State Dean Acheson told his weekly press conference that the future of Taiwan is considered of extreme importance.

He said that the question is continually before the United States Security Advisory Council.

Mr. Acheson, in reply to a question, declined to comment on suggestions by congressmen that American troops should occupy Taiwan.

Stalin's 70th Birthday

ITALIAN Communist Party leader Palmiro Togliatti said in Rome that the Italian people, working class and Communist Party would "never allow the present rulers to bring Italy to destruction and to a war against the Soviet Union," the Rome Radio reported.

He was addressing a meeting to celebrate Generalissimo Joseph Stalin's 70th birthday.

Signor Togliatti will head a delegation to Moscow to present the Soviet Premier with a large collection of gifts contributed by Italian associations and private individuals.

Generalissimo Stalin will also be awarded the gold medal of the Garibaldi Brigades, the Italian volunteers who fought for the Spanish Republic against Franco.

In Essen, in the British occupation zone of Germany, West German Communist Party leader, Herr Max Reimann, accused the American occupation authorities of preparing West Germany for a war against the Soviet Union.

Speaking at a meeting in honor of Generalissimo Stalin's birthday, Herr Reimann said it was the Soviet Union's aim to catch up with the United States industries before 1960 and even surpass them.

He said that "American imperialists" knew pretty well that in a war they could rely on neither the Italians nor the French.

Soong Ching-ling, Vice-Chairman of the Central People's Government of the Chinese People's Republic, wrote in an article dedicated to Stalin's birthday: "Millions of people throughout the world are celebrating the 70th birthday of Stalin upon whom history has conferred the glorious title of 'The Great Man of the People'."

Unease Over Arms Aid

WASHINGTON news reports on December 16 said that most North Atlantic Pact nations have joined Britain in complaining against the bilateral agreements America wants before sending them arms.

Their ambassadors have sent the State Department criticisms of a tentative American draft agreement outlining her conditions for aid and as a result arms shipments tentatively fixed for January may be delayed.

Britain regards some of the most vital clauses in the draft as loose and open to misinterpretation.

British officials, wary after war-time experience of part of the Lease-Lend agreement are objecting

to the wording of a clause designed to prevent Britain from exporting to other countries items "similar" to those she would receive under the arms aid program. As at present worded, this might even prevent Britain from exporting motorcars.

IN London on December 15 a British Foreign Office spokesman said that Britain will make her full contribution to the Atlantic defence program with or without military aid.

The British Ambassador in Washington was reported to have outlined British objections to the United States terms for the supply of arms. The spokesman refused to comment on the discussions.

According to informed sources, two American conditions which Britain is not anxious to accept are:

1. To promise to pay for and maintain United States forces in Britain.
2. To notify the United States before sending overseas—for example to

Chinese Papers Say:

Asian Women's Congress represents unity of more than a quarter of human race; with liberation of southwest only Tibet and Taiwan remain in KMT hands.

THE *Giefang Rihao* on December 11 congratulated the women of Asia on the opening of the Asian Women's Congress in Peking. "This gathering," it said, "has the same international and historical significance as the Trade Union Conference of Asian and Australasian countries which was held in Peking last month. It is something unprecedented in history that representatives of Asian women who have long been oppressed and insulted by the imperialists are now able to come together freely to exchange their fighting experiences and to help one another. The WIDF had decided to convene the Congress in October 1948 in India, but this was prevented by the reactionary Nehru Government. Only now has it been able to hold the Congress at the capital city of China where the people have won the revolutionary struggle. This single fact is enough to show that the women's emancipation movement is inseparable from the struggle against the imperialists and their lackeys.

"The Chinese people deem it a great honor to welcome the arrival of the representatives of the women of various countries. . .

"Under the rule of imperialism and feudalism, our sisters have been the first to suffer insult and cruel treatment. Imperialism and feudalism collude with each other. As soon as we overthrow the rule of the imperialists, the shackles of feudalism will also be speedily broken up."

Declaring that the foremost task before the women of Asian countries today is to unite together and coordinate their efforts with the liberation struggles and people's democratic struggles of all the oppressed countries of Asia, the editorial continued:

"While it is true that at the present moment, when the imperialists themselves are on the decline and when the forces of peace and democracy of the people of the world are growing stronger, the imperialists' plots for a new aggressive war will assuredly be effectively checked, yet we must not on this account allow our political vigilance to be paralyzed. On the first day of her arrival in Peking, Madame Couturier, General Secretary of the

Women's International Democratic Federation, stated: "... the mothers of the Soviet Union, who sacrificed so much to defeat Hitler and Japanese fascism and who today throw all their strength into the fight for peace; the mothers of China, who participated so ardently in the liberation of their country; the mothers of the oppressed countries and also the mothers of the countries whose governments are preparing for war—we have a common aim. We want our children to live and to be happy in a world at peace. Our common task is to fight the warmakers."

Only Tibet and Taiwan left

COMMENTING on Lu Han's decision to join forces with the People's Government and the peaceful coming over of Sikang Province, the *Ta Kung Pao* of December 16 said: "With the whole of Szechuen and Sikang now liberated, the bandit troops of Hu Tsung-nan are now completely cut off and isolated in the cul-de-sac of Chengtu. For them there is nothing left but annihilation, even for Hu Tsung-nan himself. In case he is not provided with an airplane to escape, he will be captured. The world knows that Hu Tsung-nan is the most trusted henchman of 'fit-to-die' Chiang and that his forces are both the best treated and equipped. As such, Hu's bandit forces once broke into Yenan. Now that this force is facing annihilation, it must be obvious that Chiang is going to lose his last pile of chips left on continental China. It is now but a matter of days before Chengtu will be liberated.

"After the liberation of the Southwest, only Tibet is left on continental China. Inasmuch as the present situation is exceedingly favorable, the liberation of Tibet, though scheduled for next year, may yet take the world by surprise.

"The people of the whole nation are happy and elated beyond measure in witnessing the liberation of continental China. Now, it is in particular up to the people of East China to redouble their efforts to bring about the liberation of Taiwan. Then shall the glorious task of the liberation of the whole of China be completely consummated."

The Week's Business

State trading corporations collect supplies to maintain normal demand; Joint Loan Release Board formed under auspices of People's Bank.

FURTHER fractional losses were registered in local commodity prices during the week from December 15 to 21, with the volume of trading considerably reduced. The downward trend in the market was to some extent eased after local state trading corporations effected collections of supplies from the wholesale market and finished products from factories.

According to compilations by the *Giefang Rihbao*, the wholesale commodity price index on December 17 showed a decline of 2.7 percent in comparison with that on December 10. The general price index for export goods during the week period went up by 1.8 percent. Prices of many items declined after Monday, December 19.

The turnover in the cotton yarn market during the week ending December 17, compilations showed, recorded a reduction of 39 percent, in the edible oil market 38 percent and in the wheat flour market 35 percent, when compared with the previous week.

The slightly bearish development and reduced turnover in the local market during the recent week was attributed to a number of factors, but mainly to the stabilized market maintained through the country.

With the impending release of the year-end bonuses to employees, many local factories and dealers have been liquidating their stocks to realize cash. These heavy sales invariably brought down the quotations, as demand was lagging. Many industries are reported finding difficulty in disposing of their goods. Consequently the local state trading corporations collected commodities from the market on December 16, including yarn and cloth from textile mills and 1,040 piculs of edible oil from oil mills.

The Shanghai General Trading Corporation also signed contracts with various individual factories for the marketing of their products, including the Yung Sing Chemical Industrial Company, the Erh Chih Chemical Works, and other match and soap factories for the purpose of maintaining normal production.

As a result of these collections, commodity prices on December 17, the weekend, actually went up slightly. The unit quotation of the parity deposits on December 18, Sunday, was JMP2,794 as against JMP2,873 on the previous Sunday.

Meanwhile, local commercial banks have adopted a more cautious attitude in issuing loans, following the lesson learned during the recent price upheavals. Thus, despite the fact that interest rates on call loans have been reduced from JMP22 to

JMP17 per mille, factories still found it difficult to obtain loans, as many of them had not paid back loans contracted to purchase supplies during the price fluctuations in November.

Vis-a-vis this situation, the Shanghai Branch of the People's Bank promoted the formation of a Joint Loan Release Board of Shanghai State and Private Banks for extension of loans to local factories. The Joint Loan Release Board, established on December 14, has a capital of JMP12,000,000,000, of which the People's Bank, the Bank of China and the Bank of Communications subscribed JMP2,000,000,000, while the other state and private banks in the city the remaining portion. This Board, backed by the People's Bank, is different from the Loan Release Board of the private banks formed in November, which confined its activities to financing cotton purchases.

The Shanghai Branch of the People's Bank also started to handle discounting of bills to aid local private factories in getting loans from private banks.

In the industrial field, some interesting figures were recently released by the Preparatory Committee of the Shanghai General Labor Union, disclosing that Shanghai has a total of 1,002,700 workers.

Among the 774,867 organized workers, 139,950 or 18.06 percent are engaged by public enterprises of the city, while 634,917 workers or 81.94 percent are engaged by private enterprises. Of the total number of workers, 610,004 or 79.5 percent are actual workers while the remaining 158,863 or 20.50 percent are staff members of different offices and factories.

It was also disclosed that among the total number of workers, 75.7 percent or 586,702 are male workers and 24.3 percent or 188,165 are female workers. Of the organized workers, 110,504 are located at the western part of Shanghai, representing the largest group of the different districts of Shanghai.

Quotations

Following is a listing of representative commodity prices for the past week:

	Dec. 14 JMP	Dec. 21 JMP
Parity Unit	2,883	2,904
US dollar (note)	16,200	17,000
20's yarn	3,010,000	3,170,000
12-lb. cloth	129,000	136,000
Rice, 1st grade	130,000	127,000
Peanut oil	280,000	275,000
Coal briquette	21,500	21,500

Hongkong, Malaya or to the Arab states bound by a treaty to Britain—any "substitute" equipment made free by the arrival in Britain of similar American equipment.

The spokesman confirmed that the amount of aid that Britain would receive would be small. A figure mentioned in diplomatic circles is \$25 million, compared with the program's \$1,000 million for Atlantic Pact nations as whole.

West German Revanche

IN Bonn on December 15 the United States and West Germany signed a bilateral Marshall Aid pact under which West Germany agrees to work with other Marshall Plan countries.

It was the first international agreement negotiated by the three-month-old West German government.

Chancellor Konrad Adenauer and John J. McCloy, American High Commissioner, signed for their governments in a ceremony in the Chancellery on the evening of the 15th.

A statement summarizing the terms of the agreement said that the West German government had agreed to use American aid to promote "efficient industrial and agricultural production, to stabilize its currency, to reduce trade restrictions in cooperation with other European countries, to cooperate in proposals of European-wide utilization of manpower, and to take steps in cooperation with other Marshall Plan countries to eliminate unfair and restrictive business practices."

The West German government has also agreed to cooperate with the United States when necessary to aid in stockpiling strategic and critical materials available in Germany and will promote increased production of such materials, the statement said.

THE New York *Daily Compass* reported on December 13 that Field-Marshal Viscount Montgomery proposed the rearmament of West Germany at private meetings during his recent visit to New York.

The paper said that Montgomery, who is chairman of the Western Union Defense Committee, made the proposal at talks with about 60 leading Wall Street banking and industrial executives, and repeated it at a meeting sponsored by the unofficial but authoritative Foreign Policy Association and before businessmen's groups in at least two confidential sessions.

The newspaper gave this summary of Montgomery's proposals:

"The Germans will never be satisfied with a divided Germany of limited sovereignty even with a restored industry and ample dollar aid. They will only settle for arms and a restoration of their general staff. Whoever supplies them with arms under proper control will have them on their side when war comes. For that reason the West must reararm Germany, though not completely. To maintain control an air force should be withheld.

"As such steps take time, preparation of public opinion to support such a move should begin immediately."

He said further: "Planning of a rearmed Germany, however, does not have to await public opinion. Such

planning should be begun at once by the Allied governments."

* * *

THE first public meeting of the recently founded, neo-nazi Deutsche Socialistische Reichspartei, ended in confusion in Bad Pyrmont, British zone of West Germany, on December 14.

A report of the meeting said that charges of nazis and murderers were hurled at the founder of the party, Fritz Dorls, member of the West German parliament, and his close friend, former Wehrmacht General Ernst Remer, who spoke at the meeting.

One speaker, Werner Heitgres, head of the Hamburg League of Victims of Nazism, warned the British representative present about Dorls and his party because, he said, Hitler started his rise to power in the same manner.

Dorls claims that he has 60,000 followers, 60 percent of whom are women. He frankly admits that he would like to see a new dictatorship in Germany with himself as dictator.

He hopes shortly to get a license to operate throughout the British zone. At present he is allowed to work in only a few districts.

Dorls thinks it would be a good idea if the Allies banished Remer from West Germany "so that I could point to him as our new hero." He declares that his party needs a martyr and would like to choose Hitler "but that it is too early."

Former supporters from the right-wing nationalist group in the Bonn Parliament, to which group Dorls belongs, accuse him of being "a vassal of Otto Strasser," one of the Strasser brothers who brought Hitler to power and who at present resides in Canada.

It is reported that many fascist organizations have been formed in West Germany encouraged by the formation of the West Germany government.

* * *

IN Munich on December 15 seventy former nazi SS officers, Gestapo agents and members of the SD (Gestapo security service) attended a secret meeting of the extreme nationalist Fatherland Union.

The meeting, which was reported in the local press, took place in a restaurant and only those with special invitation cards were allowed to enter the building. Reporters who managed to get in were thrown out.

Karl Feitenhansel, leader of the Fatherland Union, was reported to have said at the meeting: "Down with the anti-nazi traitors who have sold out to the Allies!"

Speaking of German war guilt, he is reported to have said the German people have nothing to be ashamed of. One speaker, whose name was given as Shaeffer, was reported to have been applauded when he boasted of having killed a French occupation soldier.

Munich, where the meeting was held, is in the American zone of occupation. The United States Commissioner for Bavaria, Clarence M. Baldis, announced he was conducting a full investigation into the reported meeting and would announce his findings later.

The Fatherland Union claims a membership of 25,000 in Bavaria. Feitenhansel has called for the formation of a German army "in self defense against Bolshevism."

Chinese Magazines Say:

Rising socialism seeks peaceful construction, declining capitalism heads for war and economic chaos.

KING Chung-hua's eloquent article in *Shih Chieh Chih Shih* (World Culture) of November (when all liberated China celebrated the 32nd anniversary of the Russian Revolution) contends that socialism, now embraced by nearly half the world, follows "the natural course of historical development," while capitalism seeks vainly to turn back the clock; that the socialist system, which "basically seeks peaceful construction," depends for its success neither upon force nor accident, but upon its own proven superiority as a planned social system, while capitalism's inherent contradictions must bring about its own downfall. Will the capitalist nations be content, the writer asks, to engage in a "peaceful race between the two systems" or will they, in a last desperate bid for power, precipitate a third world war?

As far back as 1922, writes King Chung-hua, Lenin said in a conversation with Stalin: "They (the imperialists) are avaricious and deeply spiteful of one another. They will fight among themselves. There is no need for us to grow anxious. Our course has been decided. We support peace and harmony, but we oppose slavery and the conditions which compromise with slavery. We must hold fast to our helm, and steer toward our goal, never shaken in our faith by enticements or threats."

The experience of the last 27 years, the writer points out, have proved the accuracy of this analysis and justified the faith of those who march under the banner of socialism. After the second world war, launched by the fascist aggressors within the camp of the imperialists, three of the most ferocious imperialists have gone down, and the remaining three are in a state of confusion and chaos. Socialist Soviet Russia, on the other hand, stands high, with added prestige, joining hands with the numerous people's democracies newly liberated from imperialist control and intervention. Imperialist plans to encircle the Soviet Union have failed utterly. On the contrary, "There are more friendly peoples around the Soviet Union today than ever before. The capitalist world is shrinking, while the socialist world is daily expanding."

Comparing the two economies, King Chung-hua states that while decadent capitalist economy is stagnant and falling into depression, "the economy of the socialist states daily grows more prosperous." He points out that the Soviet Union has increased production ninefold within the last 20 years. Imperialist attempts to halt the progress of socialism in the Soviet Union and to "interfere in the

domestic affairs of the various people's democracies" have failed miserably. "Simultaneous with the development and progress of the Soviet Union, the people's democracies of East Europe, South-East Europe and the East are also marching along the path to socialist construction. . . . The birth of the German Democratic Republic has been a signal success for the peace and democratic camp, while the victory of the people's revolution in China will have far-reaching repercussions."

Against the rising power of the people, the imperialist warmongers held the secret of the atom bomb as their last trump card. This threat "has been completely defeated, because the Soviet Union is in possession of the atomic secret, which it uses, however, for peaceful and constructive purposes." Lenin warned: "When our internal relations become tense, we must make them public, and reveal the facts frankly," but he recognised clearly that "in the old world existed the type of diplomacy that does not believe in frankness and openness."

The author continues: "The Soviet Union is not afraid of war because it has the force to protect peace. Accordingly it has dared to expose fully the schemes and ambitions of the warmongers, and to reveal frankly the development and change taking place in the world situation. . . .

"The socialist system," says the writer, "is not bent on resorting to war to hasten the collapse of capitalism." But, he warns, "If the capitalist imperialists and warmongers must madly launch a war, let us see what will be in store for them. The first world war launched by the imperialists led to the great victory of the October Revolution. The second world war led to the victories of the various people's democracies of Europe, and now to the great victory of the Chinese people. The third world war then cannot but lead to the total collapse of capitalism."

"The Chinese people have from their own personal experience gained a thorough knowledge of the natural course of the development of history. We have determinedly taken up our position on the side of the forces for world peace and democracy led by the Soviet Union. We support peace. We want peace to attend our new democratic construction, to accelerate our progress towards socialism. But we are not afraid of war, nor of the imperialists. For the basic situation in the world today shows that capitalism is rapidly declining. Whatever struggles are put up by the imperialists in the midst of their despair will not alter the course of history."

The Review's English Lesson CXI

Vocabulary and Descriptive Phrases

• This week, we shall continue with the list of questions submitted by Mr. S. S. Yang, of Nanchang, concerning expressions that have appeared in the *Review*.

Feel strongly about: in the first editorial of the November 12 issue, on the Franco regime in Spain, the editor described the attempts to convince the American people that it was "at least better than communism." But, he continued, "for many years the American people felt too strongly upon the matter for the attempt to make much headway. . . ." The editor nodded for a moment; the usual preposition is "about," or "concerning." One might ask a friend's opinion of another person by saying, "How do you feel about X's character?" Or, "How do you feel about going out this evening?"

Along about: as in the original phrase, "along about the beginning of last year," these words convey the meaning of "approximately," or, more simply, "about" could be used. "Along about" is infrequently used; it could be said to suggest a less exact time than "about," or that the event referred to occurred over a considerable period of time. In the original, the phrase referred to the efforts of the Truman Administration to bring Franco's Spain into the camp of the West. It is evident that this could not have been merely a day's work; so the phrase "along about" was used to suggest a series of actions.

Red herring: the original words were, "dragging out all sorts of red herrings," and referred to a Shanghai businessman's actions in dealing with his workers. A red herring is a false scent, a matter having nothing to do with the issue which is brought up deliberately to distract the attention of the adversary in the hopes of causing him to lose the argument. Examples given of "red herrings" in the above dispute were claims by the businessman that he was ill, that he was unable to pay, that his labor troubles were caused by official instigation, etc. In the same issue, in a story about Vietnam, occurred the words, "every herring is dragged up," omitting the "red." The meaning is the same, although the phrase is usually "red herring."

Skullduggery: this word was used in a quotation by a representative of an American shipping company. He said there "was a good deal of skullduggery under the Nationalists." The word is used somewhat humorously to mean trickery, underhanded dealing, dishonesty. "Skull," meaning the bony head covering, came into English from a French word meaning dish, or pan; the old Anglo-Saxon word was "head-pan." Perhaps owing to the traditional pirate flag, with skull and crossbones, the word is frequently used to describe the activities of pirates, such as these now infesting the mouth of the Yangtze.

Cut the ground from under: the original was, "this taking in . . . of such elements (i.e., non-

war criminal members of the opposition who gave up and came over to the Communists) cuts the ground even more fully from under any possible counter-revolutionary movement." The most common form of this expression is, "cut the ground from under his feet," meaning to weaken his position, to cause his downfall, to destroy his base of power or resistance. By extension, therefore, one may speak of cutting the ground from under a movement.

On the land: the original sentence was, "On the land, in handicrafts, even in boat transportation, women workers are an important section of the producers." In this context, "on the land" means in, or doing, farm work.

Small town philosophers: refers to the group of thinkers and writers in America who live and work in the small towns and cities, such as William Allen White, editor of the *Emporia Gazette*. The group may include local newspaper editors, ministers, poets and sometimes merchants.

Time clock-punching laborers: A time clock is a clock with a device to record the times of arrival and departure of workers. Usually, each worker has a card which he inserts in a slot and then presses a lever, which stamps the time on the card. This is known colloquially as "punching the (time) clock."

Beat the workers back into line: it was stated that in periods of business depression, management resorts to violence to beat the workers back into line. This means to use force to control the workers, to make them accept employment on management's terms, to make them submit.

Underplayed story: in journalism, a report that is given small space and printed in an inconspicuous place in the paper. "To play up a story" is to give it great prominence, to feature it.

Keep up with the Joneses: the Joneses symbolize the *lao pai hsing* of the United States, and the expression sums up in few words the excessive importance in America of each family striving to maintain a status equal to that of his neighbors (the Joneses), especially regarding earning capacity, possession of material goods, etc. The advertising media—popular magazine articles and fiction, and the movies—spend much of their energy in "selling" this idea to the public.

Security risk: a person whose loyalty to the state is considered questionable by the US Government, or government agencies. Since the war there has been a great "witch hunt" in the US to discover persons whose opinions or activities are considered "un-American"—especially those who are, or who associate with, Communists. No one has given a satisfactory definition of "un-American," but if one of the investigating bodies judges a person to be "un-American," he is not a good "security risk" and, if employed in an official capacity, loses his job.